



Iowa Department of Human Services

Kim Reynolds
Governor

Adam Gregg
Lt. Governor

Jerry R. Foxhoven
Director

June 26, 2018

Waiver approved until June 30, 2019

/s/ Janet E. Phipps

06/26/2018

Janet Phipps, Director
Department of Administrative Services
Hoover State Office Building
1305 East Walnut Street
Des Moines, IA 50319

Dear Director Phipps:

The Department of Human Services (DHS) is seeking a waiver as described in 11 Iowa Admin. Code r. 118.16(8A) as it pertains to Iowa Admin Code r. 118.11(3) for the six-year limitation on service contracts. This request involves a maintenance agreement for a long-standing program DHS uses to assemble contracts.

Background

DHS has a maintenance agreement in place with HD Acquisitions Corp DBA HotDocs Corporation for an off-the-shelf product called HotDocs. DHS has contracted for this software since May 2007. The current maintenance agreement has been in place since June 2011. The annual maintenance cost for State Fiscal Year 2019 is \$6,662.99.

This HotDocs software houses the majority of the DHS service contracting templates. The software is a document assembly program that contains DHS-written guidance to staff to utilize while drafting contracting documents. It allows staff to work through decision points to draft contracts that contain appropriate language based on specific circumstances. DHS has invested significant time creating and maintaining the information in this system.

The contractor has informed DHS that the software is proprietary in nature. DHS previously was under the understanding that maintenance agreements for proprietary software did not need to be re-bid every six years. Due to recent conversations, DHS contacted Karl Wendt on June 8th regarding this practice and learned that DAS now rebids maintenance services for proprietary systems and that DHS should do the same.

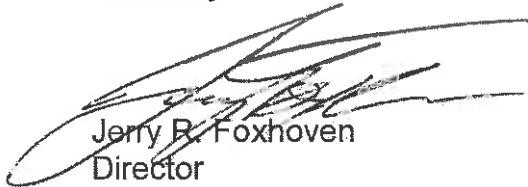
The current maintenance agreement for HotDocs allows DHS to terminate it with 90 days' notice to the contractor prior to the end of the current contract year. The agreement ends June 30th and DHS did not provide notice of termination in time to end the agreement prior to July 1st of this year.

Request

DHS is requesting a 12-month waiver so that DHS can continue receiving these maintenance services. During this 12-month period, DHS will re-procure services to meet the Agency's contracting document processing needs. This re-procurement will be managed directly or through DAS. Additionally, DHS will provide a notice of termination to the contractor consistent with the terms of the agreement for the end of the next contract year in June of 2019.

DHS respectfully requests a waiver to extend the contract for the requested period. We appreciate your consideration.

Sincerely,



Jerry R. Foxhoven
Director

Cc. Jean Slaybaugh